

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

WATER DIVISION
Water Advisory Branch

RESOLUTION NO. W-4269
May 3, 2001

R E S O L U T I O N

**(RES. W-4269), SAN GABRIEL VALLEY WATER COMPANY (SGVWC),
FONTANA DIVISION. ORDER AUTHORIZING AN OFFSET RATE
INCREASE OF \$1,136,575 OR 5.7% IN ADDITIONAL REVENUE.**

SUMMARY

By Advice Letter No. 312-W, filed on April 4, 2001, SGVWC, Fontana Division, seeks an increase in gross annual revenues of \$1,136,575 or 5.7% to reflect increased purchased power costs. The increase will not result in a rate of return greater than last authorized for SGVWC.

BACKGROUND

SGVWC serves approximately 30,000 customers in its Fontana Division, which includes the cities of Fontana, Rancho Cucamonga, Rialto, and adjacent unincorporated areas of San Bernardino County.

The present rate schedules in this division became effective on April 19, 2001, pursuant to Res. W-4261 implementing a 12-month surcharge of \$0.021/Ccf to offset increases in purchased power costs.

In order to reflect current purchased power costs in its water rates, SGVWC proposes a surcharge due to the steep and unanticipated increase in procuring wholesale electric energy from Southern California Edison Company (Edison). The proposed surcharge would automatically terminate if Edison's surcharge is terminated. Any refund from Edison of all or a portion of Edison's surcharge will be debited against the proposed water rate surcharge revenues to be recorded in the balancing account.

If Edison's surcharge is extended, made permanent, or increased, SGVWC's proposed surcharge would continue in effect until SGVWC files an advice letter to incorporate the revised Edison's rates.

DISCUSSION

SGVWC, Fontana Division, proposes a surcharge to increase its quantity rate by \$0.065/Ccf in order to reflect Edison's electric charges, made effective by the Commission decision (D.01-03-082). This will produce an estimated additional \$1,136,575 or 5.7% in annual revenues. This proposed change will raise the average residential customer's monthly bill (with a 5/8" x 3/4" meter and using 23 Ccf/mo.) by \$1.50 or 4.2% from \$35.61 to \$37.11. The Water Division has reviewed the supporting workpapers submitted by SGVWC.

NOTICE AND PROTESTS

Notice of the proposed rate increase was published in The Sun newspaper of general circulation on April 12, 2001, as evidenced by a Proof of Publication provided to the Water Division by the utility. There were no protests concerning the proposed increase.

FINDINGS

The rates proposed by SGVWC in Advice Letter No. 312-W are reasonable and should be adopted.

THEREFORE IT IS ORDERED THAT:

1. San Gabriel Valley Water Company, Fontana Division, is authorized five days after the effective date herein, to make effective revised rate Schedule No. FO-1, General Metered Service, as attached to Advice Letter No. 312-W, and to concurrently cancel the presently effective rate schedule.

2. This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted at a conference of the Public Utilities Commission of the State of California held on May 3, 2001; the following Commissioners voting favorably thereon:

WESLEY M. FRANKLIN
Executive Director

LORETTA M. LYNCH
President
HENRY M. DUQUE
RICHARD A. BILAS
CARL W. WOOD
GEOFFREY F. BROWN
Commissioners